

SLAUGHTER COMMUNITY CHARTER SCHOOL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2013 AND 2012

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date DEC 04 2013

CONTENTS

	<u>Page</u>
<u>Independent Auditors' Report</u>	1 - 2
<u>Financial Statements</u>	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4 - 5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows	8
<u>Notes to Financial Statements</u>	9 - 12
<u>Report on Internal Control Over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed In Accordance With Government Auditing Standards</u>	13-14
<u>Schedule of Findings and Questioned Costs</u>	15
<u>Schedule of Prior Year Findings and Questioned Costs</u>	16
<u>Other Information</u>	
Independent Accountant's Report on Applying Agreed upon Procedures	17 - 20
Schedule Descriptions	21- 22
Performance and Statistical Data	23 - 31

DAIGREPONT & BRIAN

A Professional Accounting Corporation

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Slaughter Community Charter School
Slaughter, LA

Report on the Financial Statements

We have audited the accompanying financial statements of Slaughter Community Charter School (a non-profit organization), which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

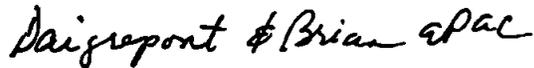
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Slaughter Community Charter School as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

The Performance and Statistical Data included in Schedules 1 through 9 are not a required part of the basic financial statements but are supplementary information required by Louisiana State Law. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. We have applied certain limited procedures, which are described in the Independent Accountant's Report on Applying Agreed-Upon Procedures. However we did not audit this information and, accordingly, express no opinion on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2013, on our consideration of Slaughter Community Charter School's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Baton Rouge, Louisiana
November 6, 2013

SLAUGHTER COMMUNITY CHARTER SCHOOL
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2013 AND 2012

<u>ASSETS</u>	<u>2013</u>	<u>2012</u>
<u>Current Assets</u>		
Cash	\$ 265,775	\$ 255,584
Accounts receivable, net		
Federal	21,954	75,071
State	131,192	97,513
Prepaid expenses	<u>19,552</u>	<u>10,326</u>
Total Current Assets	<u>438,473</u>	<u>438,494</u>
<u>Property and Equipment</u>		
Leasehold improvements	274,362	244,825
Furniture and fixtures	17,461	10,358
Equipment	<u>98,999</u>	<u>40,984</u>
	390,822	296,167
Accumulated depreciation	<u>(209,109)</u>	<u>(73,320)</u>
Total Property and Equipment	<u>181,713</u>	<u>222,847</u>
Total Assets	<u>\$ 620,186</u>	<u>\$ 661,341</u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accounts payable	\$ 25,830	\$ 52,032
Accrued liabilities	125,795	92,564
Activities liabilities	<u>11,134</u>	<u>-</u>
Total Current Liabilities	<u>162,759</u>	<u>144,596</u>
<u>Net Assets</u>		
Unrestricted	457,427	370,122
Temporarily restricted	<u>-</u>	<u>146,623</u>
Total Net Assets	<u>457,427</u>	<u>516,745</u>
Total Liabilities and Net Assets	<u>\$ 620,186</u>	<u>\$ 661,341</u>

The accompanying notes are an integral part of this statement.

SLAUGHTER COMMUNITY CHARTER SCHOOL
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>Revenues</u>			
Minimum Foundation Program	\$ 1,316,900	\$ -	\$ 1,316,900
Federal grants	97,250	-	97,250
Interest	391	-	391
Changes in net asset restrictions:			
Released from restrictions	<u>146,623</u>	<u>(146,623)</u>	<u>-</u>
Total revenues	<u>1,561,164</u>	<u>(146,623)</u>	<u>1,414,541</u>
<u>Expenses</u>			
Program services	1,250,453	-	1,250,453
Management and general	<u>223,406</u>	<u>-</u>	<u>223,406</u>
Total expenses	<u>1,473,859</u>	<u>-</u>	<u>1,473,859</u>
Increase (decrease) in net assets	<u>87,305</u>	<u>-</u>	<u>(59,318)</u>
Net assets - beginning of year	<u>370,122</u>	<u>146,623</u>	<u>516,745</u>
Net assets - end of year	<u>\$ 457,427</u>	<u>\$ -</u>	<u>\$ 457,427</u>

The accompanying notes are an integral part of this statement.

SLAUGHTER COMMUNITY CHARTER SCHOOL
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>Revenues</u>			
Minimum Foundation Program	\$ 829,099	\$ -	\$ 829,099
Federal grants	135,756	-	135,756
Private grants and donations	2,100	150,000	152,100
Interest	429	-	429
Other income	1,879	-	1,879
Changes in net asset restrictions:			
Released from restrictions	<u>308,005</u>	<u>(308,005)</u>	<u>-</u>
Total revenues	<u>1,277,268</u>	<u>(158,005)</u>	<u>1,119,263</u>
<u>Expenses</u>			
Program services	892,638	-	892,638
Management and general	<u>163,882</u>	<u>-</u>	<u>163,882</u>
Total expenses	<u>1,056,520</u>	<u>-</u>	<u>1,056,520</u>
Increase (decrease) in net assets	<u>220,748</u>	<u>(158,005)</u>	<u>62,743</u>
Net assets - beginning of year	<u>149,374</u>	<u>304,628</u>	<u>454,002</u>
Net assets - end of year	<u>\$ 370,122</u>	<u>\$ 146,623</u>	<u>\$ 516,745</u>

The accompanying notes are an integral part of this statement.

SLAUGHTER COMMUNITY CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Curriculum materials and software	\$ 26,307	\$ -	\$ 26,307
Depreciation	108,631	27,158	135,789
Employee benefits	171,023	10,656	181,679
Equipment and furniture	2,015	504	2,519
Food service	27,233	-	27,233
Insurance	17,093	3,668	20,761
Interest Expense	-	1,407	1,407
Janitorial	27,001	6,750	33,751
Legal	218	872	1,090
Payroll taxes	8,919	532	9,451
Postage	183	-	183
Professional development	7,760	-	7,760
Rent	70,563	17,641	88,204
Repairs and maintenance	12,204	3,051	15,255
Salaries	485,352	30,958	516,310
Supplies	16,985	2,427	19,412
Technical and professional services	85,064	111,154	196,218
Telephone	16,789	4,273	21,062
Transportation	159,934	560	160,494
Utilities	7,179	1,795	8,974
Total Expenses	<u>\$ 1,250,453</u>	<u>\$ 223,406</u>	<u>\$ 1,473,859</u>

The accompanying notes are an integral part of this statement.

SLAUGHTER COMMUNITY CHARTER SCHOOL
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Curriculum materials and software	\$ 36,175	\$ -	\$ 36,175
Depreciation	58,656	14,664	73,320
Employee benefits	105,127	8,377	113,504
Equipment and furniture	6,946	2,156	9,102
Food service	10,842	-	10,842
Insurance	11,584	2,599	14,183
Janitorial	28,509	7,127	35,636
Legal	357	1,429	1,786
Payroll taxes	10,957	848	11,805
Postage	297	-	297
Professional development	9,257	-	9,257
Rent	27,170	6,793	33,963
Repairs and maintenance	13,064	3,266	16,330
Salaries	334,975	26,856	361,831
Supplies	23,402	2,984	26,386
Technical and professional services	74,974	82,249	157,223
Telephone	5,428	1,480	6,908
Transportation	124,168	369	124,537
Utilities	10,750	2,685	13,435
Total Expenses	<u>\$ 892,638</u>	<u>\$ 163,882</u>	<u>\$ 1,056,520</u>

The accompanying notes are an integral part of this statement

SLAUGHTER COMMUNITY CHARTER SCHOOL
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
<u>Cash Flows from Operating Activities</u>		
Changes in net assets	\$ (59,318)	\$ 62,743
<u>Adjustments to reconcile net revenues over expenses to net cash provided by operating activities:</u>		
Depreciation	135,789	73,320
(Increase) decrease in accounts receivable	19,438	(140,882)
Increase in prepaid expenses	(9,226)	(2,139)
Increase (decrease) in accounts payable	(26,202)	26,948
Increase in accrued liabilities	<u>44,365</u>	<u>85,774</u>
Total adjustments	<u>164,164</u>	<u>43,021</u>
Net cash provided by operating activities	<u>104,846</u>	<u>105,764</u>
<u>Cash Flows from Investing Activities</u>		
Purchase of property, plant and equipment	<u>(94,655)</u>	<u>(163,227)</u>
Net cash used by investing activities	<u>(94,655)</u>	<u>(163,227)</u>
Increase (decrease) in Cash	10,191	(57,463)
Cash, Beginning of Year	<u>255,584</u>	<u>313,047</u>
Cash, End of Year	<u>\$ 265,775</u>	<u>\$ 255,584</u>

The accompanying notes are an integral part of this statement.

SLAUGHTER COMMUNITY CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

1. Summary of Significant Accounting Policies

(a) Organization

Slaughter Community Charter School (the School) was incorporated on September 2, 2009 as a non-profit corporation under the laws of the State of Louisiana. The School operates under a charter in East Feliciana Parish that expires June 30, 2016 and may be renewed for successive periods of five years subject to a review by the East Feliciana School Board of the School's operations and compliance. The school had approximately 150 students for the 2012-2013 school year.

(b) Basis of Accounting

The financial statements of the School have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities

(c) Revenues

The School receives the majority of its revenue from the Minimum Foundation Program (MFP) which passes through the East Feliciana Parish School Board. The amount of the MFP funding is based on an allocation of funds provided by the State of Louisiana and local taxes. The School also receives federal and private sector funding. Federal funds are passed through the Louisiana Department of Education or the East Feliciana School Board.

(d) Net Assets

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board's (FASB) Accounting Standard Codification (ASC) 958, *Not-for-Profit Entities*. Under FASB ASC 958, the School is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows.

Unrestricted Net Assets

Unrestricted net assets are for general use with no restrictions.

Temporarily Restricted Net Assets

Temporarily restricted net assets can be expended currently, but only for a specified purpose designated by the grantor.

Permanently Restricted Net Assets

Net assets permanently restricted for future use by the grantor or the board of directors. There are no permanently restricted net assets as of June 30, 2013.

(e) Cash

Cash consists of bank deposits held with financial institutions and cash on hand.

SLAUGHTER COMMUNITY CHARTER SCHOOL
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2013

1. Summary of Significant Accounting Policies - Continued

(f) Accounts and Grants Receivable

Accounts and grants receivable represent amounts due under the MFP or federal and state grants. The school provides an allowance for doubtful accounts based upon a review of outstanding amounts due, age of the balance, and likelihood of collectability. Any balances deemed uncollectible are charged against the allowance account. The allowance for doubtful accounts was \$4,686 and \$0 for the years ended June 30, 2013 and 2012, respectively

(g) Functional Expenses

The School allocates its expenses on a functional basis among its various programs. Expenses that can be identified with a specific program are allocated directly according to their natural expense classification.

(h) Income Taxes

The School accounts for income taxes in accordance with FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. Management believes it has no material uncertain tax positions and, accordingly has not recognized a liability for any unrecognized tax benefits

The School is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code

The School files information returns in the U S. federal jurisdiction and in various other states. The School is no longer subject to federal information return examinations by tax authorities for years before 2009.

(i) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures Accordingly, actual results could differ from those estimates.

(j) Subsequent Events

In preparing these financial statements, the School has evaluated events and transactions for potential recognition or disclose through November 6, 2013, the date the financial statements were available to be issued.

2. Concentrations

The School receives the majority of its operating revenue from the State of Louisiana and East Feliciana Parish School Board in the form of Minimum Foundation program funding. The School also receives grants from federal agencies and private foundations. The percentage of revenue and receivables from these sources is as follows:

	<u>2013</u>		<u>2012</u>	
	Revenue	Receivables	Revenue	Receivables
Minimum Foundation Program	93%	86%	74%	57%
Federal Grants	7%	14%	12%	43%
Private Grants	-	-	13%	-

SLAUGHTER COMMUNITY CHARTER SCHOOL
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2013

2. Concentrations-Continued

Financial instruments, which potentially subject the School to concentration of credit risk, consist of cash accounts held with a bank. Cash accounts are insured by the Federal Deposit Insurance Corporation for up to \$250,000. Amounts in excess of insured limits at June 30, 2013 were approximately \$43,000. The School does not believe that it is exposed to any significant credit risk on uninsured amounts.

3. Leases

The School has entered into a three year lease agreement for temporary school buildings at a monthly rental amount of \$2,755. The School entered into a second two year lease for temporary school buildings in May 2012. Monthly rental payments under this lease are \$2,765 which began in August 2012. Total rental expense under these leases for the year ended June 30, 2013 and 2012 was \$83,642 and \$30,568, respectively.

The School has entered into a three year lease agreement for office equipment at a monthly rental amount of \$315. The school has the option to cancel this lease at any time with a thirty day notice. Total rental expense under this lease for the year ended June 30, 2013 and 2012 was \$4,562 and \$3,373, respectively.

Future minimum lease payments are as follows

	<u>School Building 1</u>	<u>School Building 2</u>
Year ending June 30, 2014	\$ 33,060	\$ 33,180
Year ending June 30, 2015	-	2,765

4. Property and Equipment

Property and equipment is presented in the financial statements on the basis of cost less allowances for depreciation. The School capitalizes all expenditures of depreciable assets where cost exceeds \$500. Depreciation is computed using the straight-line method and is provided over the estimated useful lives of the assets, which is generally three to seven years.

All property and equipment purchased with Louisiana Department of Education funds are owned by the School. However, these assets would revert back to the Louisiana Department of Education should the charter not be renewed.

5. Compensated Absences

For those eligible the School will pay out a maximum of four days of unused vacation upon termination. At June 30, 2013 there was a total of \$1,679 accrued for unused vacation.

6. Retirement Plan

Substantially all employees of the School participate in the Teachers' Retirement System of Louisiana (TRSL). The TRSL is a multiple employer defined benefit pension plan established by the Legislature in 1936. Its assets are held in trust to provide retirement benefits for retired members and their beneficiaries, and is governed by its own board of trustees.

Employees are vested for retirement benefits after ten years of service and vested for disability and survivor benefits after five years of service. Benefits are established and amended by state statute. A financial report which includes the TRSL financial statements and required supplementary information is publicly available.

SLAUGHTER COMMUNITY CHARTER SCHOOL
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

6. Retirement Plan - Continued

State law requires TRSL to calculate contribution rates for employers and employees. TRSL actuarially determined employees would contribute 8% of their annual covered salary to the plan and the employer would contribute 24.5% to the plan for the year ended June 30, 2013.

For the year ended June 30, 2013 the School contributed \$120,749 to the TRSL.

7. Commitments and Contingencies

The School receives grants for specific purposes that are subject to audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. It is the opinion of the School's management that its compliance with the terms of the grant will not result in any disallowed costs.

8. Temporarily Restricted Net Assets

As of June 30, 2013 the School had satisfied all restrictions on Pennington grant funds.

DAIGREPONT & BRIAN

A Professional Accounting Corporation

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Slaughter Community Charter School
Slaughter, LA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Slaughter Community Charter School, (a non-profit organization) which comprise the statement of financial position as of June 30, 2013 and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 6, 2013.

Internal Control Over Financial Reporting

In planning and performing our audits of the financial statements, we considered Slaughter Community Charter School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Slaughter Community Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Slaughter Community Charter School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24.513, this report is distributed by the Legislative Auditor as a public document.

Daignepon & Brian APAC

Baton Rouge, Louisiana
November 6, 2013

SLAUGHTER COMMUNITY CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

We have audited the financial statements of Slaughter Community Charter School, as of June 30, 2013, and for the year then ended, and have issued our report thereon dated November 6, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2013 resulted in an unqualified opinion

Summary of Auditor's Reports

Financial Statements

- | | Unqualified | |
|--|------------------------------|--|
| • Type of auditors' report issued: | | |
| • Material weakness identified? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| • Significant deficiencies identified that are not considered to be material weaknesses? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| • Noncompliance material to financial statements noted? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Finding – Financial Statement Audit

There are no findings for the year ended June 30, 2013.

Questioned Costs

There are no questioned costs for the year ended June 30, 2013.

SLAUGHTER COMMUNITY CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2012

Finding – Financial Statement Audit

There are no findings for the year ended June 30, 2012.

Questioned Costs

There are no questioned costs for the year ended June 30, 2012.

DAIGREPONT & BRIAN

A Professional Accounting Corporation

Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Slaughter Community Charter School
Slaughter, LA

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Slaughter Community Charter School and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Slaughter Community Charter School and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education. Management of Slaughter Community Charter School is responsible for its performance and statistical data. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule 1)

Procedure #1

We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts on the Schedule:

- Total General Fund Expenditures
- Total General Fund Equipment Expenditures
- Total Local Taxation Revenue
- Total Local Earnings on Investment in Real Property
- Total State Revenue in Lieu of Taxes
- Nonpublic Textbook Revenue
- Nonpublic Transportation Revenue

Results of Procedure #1

In performing the testing on the sample of expenditures/revenues we noted no transactions that were inappropriately classified or were recorded at an inappropriate amount.

Education Levels of Public School Staff (Schedule 2)

Procedure #2

We reconciled the total number of full-time classroom teachers per the Schedule "Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers" (Schedule 4) to the combined total number of full-time classroom teachers per this Schedule and to the School's supporting payroll records as of October 1st

Results of Procedure #2

No differences were noted between the number of full-time classroom teachers per Schedule 4 and Schedule 2.

Procedure #3

We reconciled the total of principals and assistant principals per the Schedule "Experience of Public Principals Assistant Principals, and Full-Time Classroom Teachers" (Schedule 4) to the combined total of principals and assistant principals per this Schedule.

Results of Procedure #3

No differences were noted between the number of principals and assistant principals per Schedule 4 and Schedule 2.

Procedure #4

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the Schedule. We traced a random sample of 9 teachers (Slaughter Community Charter School only had 9 teachers during the 2012-2013 school year) to the individual's personnel file and determined if the individual's education level was properly classified on the Schedule.

Results of Procedure #4

In our sample of 9 teachers no discrepancies existed between the education levels per the listing and the individual's personnel file.

Number and Type of Public Schools

Procedure #5

We obtained a list of schools by type as reported on the Schedule. We compared the list to the schools listed on the Public Charter School Program grant application.

Results of Procedure #5

We noted no discrepancies between the total number of schools as listed on the Public Charter School Program grant application and the list supporting the schools represented on the Schedule.

Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers (Schedule 4)

Procedure #6

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule and traced the same sample used in Procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the Schedule.

Results of Procedure #6

In our sample of 9 teachers no discrepancies existed between the education levels per the listing and the individual's personnel file

Public School Staff Data, Average Salaries (Schedule 5)

Procedure #7

We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the Schedule and traced a random sample of 9 teachers (Slaughter Community Charter School only had 9 teachers during the 2012-2013 school year) to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the Schedule.

Results of Procedure #7

In our sample of 9 teachers we noted consistency between the level of compensation that would be appropriate for the education and experience level per the district wide salary schedule and the amount actually paid per the list of all classroom teachers.

Procedure #8

We recalculated the average salaries and full-time equivalents reported on the Schedule.

Results of Procedure #8

No discrepancies existed between the average salaries reported on the Schedule and our calculations.

Class Size Characteristics (Schedule 6)

Procedure #9

We obtained a list of classes by school, school type, and class size as reported on the Schedule and reconciled school type classifications to Schedule 3 data as obtained in Procedure 5. We then traced a random sample of 10 classes to the October 1st roll books for those classes and determined if the class was properly classified on the Schedule.

Results of Procedure #9

It was noted that the number of middle/junior high classes reported on the Schedule were overstated by 3 classes.

Management's Response

The list of classes provided to the East Feliciana School Board by Slaughter Community Charter School included career planning classes that are not required to be reported on this Schedule. The East Feliciana School Board included these 3 classes as middle/junior high classes on the Schedule.

Louisiana Educational Assessment Program (LEAP) (Schedule 7)

Procedure #10

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported by Slaughter Community Charter School.

Results of Procedure #10

No discrepancies existed between the test scores obtained from the testing authority and the scores reported by Slaughter Community Charter School

Graduation Exit Examination (GEE) (Schedule 8)
Procedure #11

The GEE has been discontinued and therefore no new additional scores will be available.

Results of Procedure #11

Not applicable.

Leap Tests (Schedule 9)

Procedure #12

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported by Slaughter Community Charter School

Results of Procedure #12

No discrepancies existed between the test scores obtained from the testing authority and the scores reported by Slaughter Community Charter School.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Slaughter Community Charter School, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Daigneport & Brian APAC

Baton Rouge, Louisiana
November 6, 2013

SLAUGHTER COMMUNITY CHARTER SCHOOL
SLAUGHTER, LA

Schedules Required by State Law (R.S. 24.514 – Performance and Statistical Data)
As of and for the Year Ended June 30, 2013

Schedule 1 – General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule 2 – Education Levels of Public School Staff

This schedule includes the certified and uncertified number and percentage of full time classroom teachers and the number and percentage of principals and assistant principals with less than a Bachelor's, Master's, Master's +30, Specialist in Education, and Ph. D or Ed. D. Degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 3 – Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 4 – Experience of Public Principals, Assistant Principals, and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 5 – Public School Staff Data: Average Salaries

This schedule includes average classroom teachers' salary using full time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 6 – Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule 7 – Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule 8 – Graduation Exit Examination (GEE)

The GEE has been discontinued and therefore there no new additional scores will be available.

Schedule 9 – iLeap Tests

This schedule represents student performance testing data and includes a summary score for grades, 3, 5, 6, 7, and 9 for each category tested. The summary score reported is the percentile rank showing the relative position or rank as compared to a large, representative sample of students in the same grade from the state. This schedule includes three years of data.

**Slaughter Community Charter School
Slaughter, LA**

**General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
For the Year Ended June 30, 2013**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures

Teacher and Student Interaction Activities

Classroom Teacher Salaries	\$ 362,033	
Other Instructional Staff Activities	12,218	
Instructional Staff Employee Benefits	141,969	
Purchased Professional and Technical Services	-	
Instructional Materials and Supplies	18,470	
Instructional Equipment	<u>74,436</u>	
Total Teacher and Student Interaction Activities		\$ 609,126

Other Instructional Activities

Pupil Support Services

Less Equipment for Pupil Support Services	900	
Net Pupil Support Services	<u>-</u>	900

Instructional Staff Services

Less Equipment for Instructional Staff Services	30,422	
Net Instructional Staff Services	<u>-</u>	30,422

School Administration

Less. Equipment for School Administration	223,999	
Net School Administration	<u>-</u>	<u>223,999</u>

Total General Fund Instructional Expenditures (Total of Column B) \$ 864,447

Total General Fund Equipment Expenditures (Object 730, Function 1000-4000) \$ 74,436

Certain Local Revenue Sources

Local Taxation Revenue

Constitutional Ad Valorem Taxes	\$ -
Renewable Ad Valorem Tax	-
Debt Service Ad Valorem Tax	-
Up to 1% of Collections by the Sheriff on Taxes Other than School Taxes	-
Sales and Use Taxes	-
Total Local Taxation Revenue	<u>\$ -</u>

Local Earnings on Investment in Real Property

Earnings from 16th Section Property	-
Earnings from Other Real Property	-
Total Local Earnings on Investment in Real Property	<u>\$ -</u>

State Revenue in Lieu of Taxes

Revenue Sharing - Constitutional Tax	\$ -
Revenue Sharing - Other Taxes	-
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu of Taxes	-
Total State Revenue in Lieu of Taxes	<u>\$ -</u>

Nonpublic Textbook Revenue

Nonpublic Transportation Revenue \$ -

See accompanying independent accountant's report on applying agreed-upon procedures

**Slaughter Community Charter School
Slaughter, LA**

**Education Levels of Public School Staff
As of October 1, 2012**

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certified		Uncertified		Certified		Uncertified	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than Bachelor's		0 00%	0	0 00%		0 00%		0 00%
Bachelor's	4	57 14%	1	50 00%		0 00%		0 00%
Master's	3	42 86%	1	50 00%		0 00%		0 00%
Master's + 30		0 00%	0	0 00%		0 00%		0 00%
Specialist in Education		0 00%	0	0 00%		0 00%		0 00%
Ph D or Ed D		0 00%	0	0 00%	1	100 00%		0 00%
Total	7	100 00%	2	100 00%	1	100 00%	0	0 00%

See accompanying independent accountant's report on applying agreed-upon procedures

Slaughter Community Charter School
Slaughter, LA

Number and Type of Public Schools
For the Year Ended June 30, 2013

Type	Number
Elementary	0
Middle/Jr. High	1
Secondary	0
Combination	0
Total	1

See accompanying independent accountant's report on applying agreed-upon procedures

**Slaughter Community Charter School
Slaughter, LA**

**Experience of Public Principals, Assistant Principals, and Full-Time Classroom Teachers
As of October 1, 2012**

	0-1 Yr	2-3 Yrs	4-10 Yrs	11-14 Yrs	15-19 Yrs	20-24 Yrs	25+ Yrs	Total
Assistant Pnncpals								0
Pnncpals						1		1
Classroom Teachers	3	1	1	2	1	1		9
<i>Total</i>	3	1	1	2	1	2	0	10

See accompanying independent accountant's report on applying agreed-upon procedures

**Slaughter Community Charter School
Slaughter, LA**

**Public School Staff Data
For the Year Ended June 30, 2013**

	All Classroom Teachers	Classroom Teachers Excluding ROTC, Rehired Retirees, and Flagged Salary Reductions
Average Classroom Teachers' Salaries Including Extra Compensation	49,598.25	49,598.25
Average Classroom Teachers' Salaries Excluding Extra Compensation	49,005.69	49,005.69
Number of Teacher Full-Time Equivalents (FTEs) used in Computation of Average Salaries	8.44	8.44

Note: Figures reported include all sources of funding (i.e., federal, state and local) but exclude employee benefits.

See accompanying independent accountant's report on applying agreed-upon procedures.

Slaughter Community Charter School
Slaughter, LA

Class Size Characteristics
As of October 1, 2012

School Type	Class Size Range							
	1-20		21-26		27-33		34+	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary								
Elementary/Activity Classes								
Middle/Jr High	34 21%	13	52 63%	20	13 16%	5	0 00%	
Middle/Jr High Activity Classes	28 57%	2	57 14%	4	14 29%	1	0 00%	
High								
High Activity Classes								
Combination								
Combination Activity Classes								

Note: The Board of Elementary and Secondary Education has set specific limits on the maximum size of classes at various grade levels. The maximum enrollment in grades K-3 is 26 students and maximum enrollment in grades 4-12 is 33 students. These limits do not apply to activity classes such as physical education, chorus, band and other classes without maximum enrollment standards. Therefore, these classes are included only as separate line items.

See accompanying independent accountant's report on applying agreed-upon procedures

**Slaughter Community Charter School
Slaughter, LA**

**Louisiana Educational Assessment Program (LEAP)
For the Year Ended June 30, 2013**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8								
Advance	2	3%	3	5%	3	5%	0	0%
Mastery	13	19%	2	3%	11	17%	9	14%
Basic	34	51%	50	75%	32	48%	44	67%
Approaching Basic	16	24%	9	14%	19	29%	7	10%
Unsatisfactory	2	3%	2	3%	1	2%	7	10%
Total	66	100%	66	100%	66	100%	66	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8								
Advance	2	5%	0	0%	1	2%	0	0%
Mastery	3	7%	3	7%	3	7%	3	7%
Basic	20	49%	20	49%	15	37%	22	54%
Approaching Basic	14	34%	11	27%	19	46%	9	22%
Unsatisfactory	2	5%	7	17%	3	7%	7	17%
Total	41	100%	41	100%	41	100%	41	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2011		2011		2011		2011	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8								
Advance	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Mastery	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Basic	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Approaching Basic	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Unsatisfactory	N/A	0%	N/A	0%	N/A	0%	N/A	0%
Total	N/A	0%	N/A	0%	N/A	0%	N/A	0%

Note SCCS chartered in 2011-12 so no data reported for 2011

See accompanying independent accountant's report on applying agreed-upon procedures

**Slaughter Community Charter School
Slaughter, LA**

**Graduation Exit Exam (GEE)
For the Year Ended June 30, 2013**

Slaughter Community Charter School does not have any grades in which the GEE would apply

Note. GEE has been discontinued and therefore no new additional scores will be available

See accompanying independent accountant's report on applying agreed-upon procedures

**Slaughter Community Charter School
Slaughter, LA**

**iLEAP Tests
For the Year Ended June 30, 2013**

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2013		2013		2013		2013	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	4	9%	0	0%	1	2%	0	0%
Mastery	3	7%	8	18%	9	20%	4	9%
Basic	24	53%	29	64%	20	44%	24	53%
Approaching Basic	13	29%	5	11%	12	27%	15	33%
Unsatisfactory	1	2%	3	7%	3	7%	2	4%
Total	45	100%	45	100%	45	100%	45	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2012		2012		2012		2012	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	2	4%	0	0%	0	0%	0	0%
Mastery	5	9%	4	7%	8	15%	9	17%
Basic	30	55%	28	51%	29	55%	23	43%
Approaching Basic	14	25%	13	24%	16	30%	17	32%
Unsatisfactory	4	7%	8	15%	0	0%	4	8%
FOUNDATIONAL			2	4%				
Total	55	100%	55	100%	53	100%	53	100%

See accompanying independent accountant's report on applying agreed-upon procedures